

CHAPTER 7 BANKRUPTCY CLIENT INSTRUCTIONS

PLEASE READ THESE INSTRUCTIONS CAREFULLY. FAILURE TO TIMELY PROVIDE THE REQUESTED DOCUMENTATION OR INFORMATION MAY RESULT IN DISMISSAL OF YOUR CASE OR DENIAL OF YOUR DISCHARGE. IF YOU HAVE ANY QUESTIONS ABOUT THESE INSTRUCTIONS OR THE DOCUMENTS REQUESTED HEREIN, PLEASE ASK US.

PLEASE SEE ATTACHED DOCUMENT CHECKLIST FOR SUMMARY OF REQUESTED DOCUMENTS.

1. **ELECTRONIC TRANSMISSION OF DOCUMENTS PREFERRED.** We have already discussed the electronic transmission of your initial petition draft in electronic form as affecting your fee for this bankruptcy. Wherever possible, please electronically transmit, through email or providing us with a floppy disc or cd rom, the documents and/or information described below. This will ease the process of collecting and filing these documents.

2. **ACCURATE CREDITOR ADDRESSES.** You are responsible for accurate addresses and account numbers for your creditors. The address you give to us should be based on an address that creditor gave you in at least two bills, statements or letters to you within the 90 days previous to your bankruptcy filing. Keep your records in this regard.

3. **CREDIT COUNSELING AND DEBTOR EDUCATION.** You must seek out credit counseling within 180 days prior to the filing your bankruptcy. You will need to give the LAW FIRM a copy of the certificate they should issue to you describing the services they provided and a copy of debt repayment plan they formulated for you. Both of these must be dated no earlier than within 180 days of your ultimate petition date. Please commence this process now so as not to delay your filing, and forward copies of these documents to us as soon as they are available.

In addition to the above, you must complete an instructional course in financial management in order to obtain your discharge. A list of certified instructors is attached to this instruction sheet and/or available from Charmoy & Charmoy. Make sure you get a certificate of attendance and forward same to us for filing.

4. **FILING OF PAYCHECK STUBS/INCOME RECORDS WITH THE COURT.** You must file along with your petition a statement of income received within the 60 days previous to your filing date. Starting now, please keep copies of all of your paycheck stubs,

and forward copies of all such stubs to us upon our request. If you are self employed, make sure you have the necessary information ready to deliver a profit and loss statement for that 60 day time period upon our request.

5. FILING OF FEDERAL TAX RETURNS. You must provide the Chapter 7 Trustee a copy of your last years federal income tax return at least 7 days prior to your first meeting of creditors. Upon request of a party in interest, you must also file with the Bankruptcy Court any federal income tax that comes due during the pendency of your case. Therefore, you must provide us copies of all of the above return as soon as they are available so that we can provide same to the Trustee and/or file same with the Court, as the case may be.

During the pendency of your case only, tax returns should be filed at the following addresses, always by certified mail:

<u>Federal:</u>	<u>State:</u>
Internal Revenue Service	Department of Revenue Services
C: Sp	25 Sigourney Street
135 High Street, Stop 155	Hartford, CT 06106
Hartford, CT 06103	

If you will owe federal income tax for the year in which you are filing your Chapter 7 or 11, and you have an asset case, you may make a short year election that divides your tax liability into two periods, one prior and one subsequent to your filing. The Chapter 7 and/or 11 bankruptcy estate would then be liable for the prepetition taxes for that year. You must make this election by the time your tax return is due, namely April 15th of the following year. THIS ACTION MAY NEGATIVELY AFFECT YOUR TAX LIABILITY AND SHOULD ONLY BE TAKEN AFTER CONSULTATION WITH BOTH US AND YOUR ACCOUNTANT.

CHAPTER 7 REQUESTED DOCUMENTS

Credit counseling statement/budget analysis

One credit report

Last year's federal and state income tax returns

Proof of income over past 60 days – either paycheck stubs showing YTD info and/or profit/loss

Proof of monthly payments on all secured debts

**CLIENT BANKRUPTCY INFORMATION STATEMENT
PURSUANT TO 11 U.S.C. §527(b)**

IMPORTANT INFORMATION ABOUT BANKRUPTCY ASSISTANCE SERVICES FROM AN ATTORNEY OR BANKRUPTCY PETITION PREPARER.

If you decide to seek bankruptcy relief, you can represent yourself, you can hire an attorney to represent you, or you can get help in some localities from a bankruptcy petition preparer who is not an attorney. **THE LAW REQUIRES AN ATTORNEY OR BANKRUPTCY PETITION PREPARER TO GIVE YOU A WRITTEN CONTRACT SPECIFYING WHAT THE ATTORNEY OR BANKRUPTCY PETITION PREPARER WILL DO FOR YOU AND HOW MUCH IT WILL COST.** Ask to see the contract before you hire anyone.

The following information helps you understand what must be done in a routine bankruptcy case to help you evaluate how much service you need. Although bankruptcy can be complex, many cases are routine.

Before filing a bankruptcy case, either you or your attorney should analyze your eligibility for different forms of debt relief made available by the Bankruptcy Code and which form of relief is most likely to be beneficial for you. Be sure you understand the relief you can obtain and its limitations. To file a bankruptcy case, documents called a Petition, Schedules and Statement of Financial Affairs, as well as in some cases a Statement of Intention need to be prepared correctly and filed with the bankruptcy court. You will have to pay a filing fee to the bankruptcy court. Once your case starts, you will have to attend the required first meeting of creditors where you may be questioned by a court official called a "Trustee" and by creditors.

If you choose to file a chapter 7 case, you may be asked by a creditor to reaffirm a debt. You may want help deciding whether to do so and a creditor is not permitted to coerce you into reaffirming your debts.

If you choose to file a chapter 13 case in which you repay your creditors what you can afford over 3 to 5 years, you may also want help with preparing your chapter 13 plan and with the confirmation hearing on your plan which will be before a bankruptcy judge.

If you select another type of relief under the Bankruptcy Code other than chapter 7 or chapter 13, you will want to find out what needs to be done from someone familiar with that type of relief.

Your bankruptcy case may also involve litigation. You are generally permitted to represent yourself in litigation in bankruptcy court, but only attorneys, not bankruptcy petition preparers, can give you legal advice.

BANKRUPTCY INFORMATION SHEET PURSUANT TO §342(B)

BANKRUPTCY LAW IS A FEDERAL LAW. THIS SHEET GIVES YOU SOME GENERAL INFORMATION ABOUT WHAT HAPPENS IN A BANKRUPTCY CASE. THE INFORMATION HERE IS NOT COMPLETE. YOU MAY NEED LEGAL ADVICE.

WHEN YOU FILE BANKRUPTCY:

You can choose the kind of bankruptcy that best meets your needs:

Chapter 7 - A trustee is appointed to take over your property. Any property of value will be sold or turned into money to pay your creditors. You may be able to keep some personal items and possibly real estate depending on the law of the state where you live.

Chapter 13 - You can usually keep your property, but you must earn wages or have some other source of regular income and you must agree to pay part of your income to your creditors. The Court must approve your repayment plan and your budget. A trustee is appointed and will collect the payments from you, pay your creditors, and make sure you live up to the terms of your repayment plan.

Chapter 12 - Like chapter 13, but it is only for family farmers.

Chapter 11 - This is used mostly by businesses. In chapter 11, you may continue to operate your business, but your creditors and the Court must approve a plan to repay your debts. There is no trustee unless the Judge decides that one is necessary; if a trustee is appointed, the trustee takes control of your business and property.

If you have already filed bankruptcy under chapter 7, you may be able to change your case to another chapter. Your bankruptcy may be reported on your credit record for as long as ten years. It can affect your ability to receive credit in the future.

WHAT IS A BANKRUPTCY DISCHARGE AND HOW DOES IT OPERATE?

One of the reasons people file bankruptcy is to get a "discharge." A discharge is a Court order which states that you do not have to pay most of your debts. Some debts cannot be discharged. For example, you cannot discharge debts for –

- most taxes;
- child support;
- alimony;
- most student loans;
- Court fines and criminal restitution; and
- personal injury caused by driving drunk or under the influence of drugs.

The discharge only applies to debts that arose before the date you filed. Also, if the Judge finds that you received money or property by fraud, that debt may not be discharged. It is important to list all your property and debts in your bankruptcy schedules. If you do not list a debt, for example, it is possible the debt will not be discharged. The Judge can also deny your discharge if you do something dishonest in connection with your bankruptcy case, such as destroy or hide property, falsify records, or lie, or if you disobey a Court order. You can only receive a chapter 7 discharge once every six years. No one can make you pay a debt that has been discharged, but you can voluntarily pay any debt you wish to pay. You do not have to sign a reaffirmation agreement or any other kind of document to do this. Some creditors hold a secured claim (for example, the bank that holds the mortgage on your house or the loan company that has a lien on your car). You do not have to pay a secured claim if the debt is discharged, but the creditor can still take the property.

WHAT IS A REAFFIRMATION AGREEMENT?

Even if a debt can be discharged, you may have special reasons why you want to promise to pay it. For example, you may want to work out a plan with the bank to keep your car. To promise to pay that debt, you must sign and file a reaffirmation agreement with the Court. Reaffirmation agreements are under special rules and are voluntary. They are not required by bankruptcy law or by any other law.

Reaffirmation agreements –

- must be voluntary;
- must not place too heavy a burden on you or your family;
- must be in your best interest; and
- can be canceled anytime before the Court issues your discharge or within 60 days after the agreement is filed with the Court, whichever gives you the most time.

If you are an individual and you are not represented by an attorney, the Court must hold a hearing to decide whether to approve the reaffirmation agreement. The agreement will not be legally binding until the Court approves it.

If you reaffirm a debt and then fail to pay it, you owe the debt the same as though there was no bankruptcy. The debt will not be discharged and the creditor can take action to recover any property on which it has a lien or mortgage. The creditor can also take legal action to recover a judgment against you.

CREDIT COUNSELING AND DEBTOR EDUCATION

You must seek out credit counseling within 180 days prior to the filing your bankruptcy. You will need to give us a copy of the certificate they should issue to you describing the services they provided and a copy of debt repayment plan they formulated for you. Both of these must be dated no earlier than within 180 days of your ultimate petition date. Please commence this process now so as not to delay your filing, and forward copies of these documents to us as soon as they are available. A list of credit counselors approved by the United States Trustee's office is attached to this Statement.

In addition to the above, you must complete an instructional course in financial management in order to obtain your discharge. A list of certified instructors is attached to this instruction sheet and/or available from our office. Make sure you get a certificate of attendance and forward same to us for filing.

A person who knowingly and fraudulently conceals assets or makes a false oath or statement under penalty of perjury in connection with a case under this title shall be subject to fine, imprisonment, or both; and

All information supplied by a debtor in connection with a case under this title is subject to examination by the Attorney General.

IF YOU WANT MORE INFORMATION OR HAVE QUESTIONS ABOUT HOW THE BANKRUPTCY LAWS AFFECT YOU, YOU MAY NEED LEGAL ADVICE. THE TRUSTEE IN YOUR CASE IS NOT RESPONSIBLE FOR GIVING YOU LEGAL ADVICE.

CHARMOY & CHARMOY

CREDIT COUNSELING AGENCIES APPROVED BY THE UNITED STATES TRUSTEE

**THIS INFORMATION IS ALSO AVAILABLE AT THE UNITED STATES TRUSTEE'S WEBSITE AT
www.usdoj.gov/ust/eo/bapcpa/index.htm**

Consumer Credit Counseling Service of Greater Atlanta Inc.
100 Edgewood Avenue
Suite 1800
Atlanta, GA 30303
800-251-2227
www.cccsinc.org
In Person (*not available in all judicial districts*), Telephonic and Internet

Credit Counseling Centers of America
9330 LBJ Freeway
Suite 900
Dallas, TX
75379-8039
800-493-2222
www.cccamerica.org
In Person (*not available in all judicial districts*), Telephonic and Internet

Garden State Consumer Credit Counseling, Inc.
225 Willowbrook Road
Freehold, NJ 07728
877-892-4557
www.novadebt.org
In Person (may not be available in all judicial districts) & Telephonic

GreenPath, Inc.
38505 Country Club Drive, Suite 210
Farmington Hills, MI 48331-3429
800-630-6718
www.greenpathbk.com
In Person (*not available in all judicial districts*), and Telephonic

Hummingbird Credit Counseling and Education, Inc.
3737 Glenwood Avenue
Suite 100-106
Raleigh, NC 27612
800-645-4959
www.hbcce.org

Institute for Financial Literacy, Inc.
449 Forest Avenue
Suite 12
Portland, ME 04101
866-662-4932
www.financiallit.org
Telephonic & Internet

Money Management International Inc.
9009 West Loop South
7th Floor
Houston, TX 77096-1719
877-918-2227

Recommended

www.moneymanagement.org

In Person (*not available in all judicial districts*), Telephonic and Internet

Springboard Nonprofit Consumer Credit Management Inc.
4351 Latham Street
Riverside, CA 92501
800-947-3752

www.credit.org

In Person (*not available in all judicial districts*), Telephonic and Internet

DEBTOR EDUCATION PROVIDERS APPROVED BY THE UNITED STATES TRUSTEE'S OFFICE

**THIS INFORMATION IS ALSO AVAILABLE AT THE UNITED STATES TRUSTEE'S WEBSITE AT
www.usdoj.gov/ust/fo/bapcpa/index.htm**

Black Hills Children's Ranch, Inc.
1644 Concourse Drive
Rapid City, SD 57703
800-888-1596

www.pioneercredit.com

In Person (may not be available in all judicial districts) & Telephonic

Consumer Credit Counseling Service of Greater Atlanta, Inc.
100 Edgewood Avenue
Suite 1800
Atlanta, GA 30303
404-653-8809

www.cccsinc.org

In Person (not available in all judicial districts) & Internet

Consumer Credit Counseling Service of San Francisco
150 Post Street, 5th Floor
San Francisco, CA 94108
800-777-7526

www.yournextmove.org

In Person (*may not be available in all judicial*

De Novo Management, LLC
104 Main Street
Falls Village, CT 06031
In Person
860-824-7021

InCharge Education Foundation, Inc.
2101 Park Center Drive
Suite 310
Orlando, FL 32835
866-729-0049

www.personalfinanceeducation.com

Internet

GreenPath Debt Solutions
38505 Country Club Drive, Suite 210
Farmington Hills, MI 48331-3429
800-630-6718

www.greenpathbk.com

In Person (*may not be available in all judicial districts*), and Telephonic

Institute for Financial Literacy
449 Forest Avenue
Suite 12
Portland, ME 04101
207-879-0389

www.financiallit.org

Telephonic

Money Management International, Inc.
9009 West Loop South, 7th Floor
Houston, TX 77096-1719
866-745-2227

recommended

www.moneymanagement.org

In Person (*not available in all judicial districts*), Telephonic and Internet

Novadebt
225 Willowbrook Road
Freehold, NJ 07728
866-254-2660

www.novadebt.org

In Person (*may not be available in all judicial districts*), and Telephonic